**WRITTEN QUESTION TO THE CHIEF MINISTER**
**BY DEPUTY K.M. WILSON OF ST. CLEMENT**
**QUESTION SUBMITTED ON MONDAY 9th NOVEMBER 2026**
**ANSWER TO BE TABLED ON MONDAY 16th NOVEMBER 2026**

## Question

"Following publication of the Annual Report 2026 by the Fiscal Policy Panel and their recommendation regarding "allocating any additional upside revenues to reserves to further strengthen resilience", will the Chief Minister advise if all major capital projects in the Proposed Budget 2027-2030 will be subject to an evidence-based objective assessment of economic return, affordability, and impact on the Island's net financial position, in order to strengthen resilience and reserves and if such reviews will not occur, will he explain why not?"

## Answer

Maintaining strong fiscal resilience and ensuring that public investment represents good value for money are essential considerations when bringing forward major capital projects.

All major capital projects included in the proposed Budget 2027–2030 are subject to the Government's established business case process, based on HM Treasury's Green Book methodology. This framework allows funding decisions to be taken based on an assessment of economic return, affordability, and impact on the Island's net financial position. It considers the full costs of investment alongside the economic, financial, social and environmental benefits expected to be delivered over the life of the project.

The Government notes the recommendation in the Fiscal Policy Panel (FPP) Annual Report 2026 that capital expenditure should only be regarded as investment where it generates a positive net economic return, meaning the public value created exceeds the costs incurred, and that additional upside revenues should be allocated to reserves to strengthen fiscal resilience. The existing appraisal and governance arrangements are intended to ensure that major capital projects are subject to objective, evidence-based assessment and Ministers are able to prioritise on that basis. The Government is also committed to strengthening the Island's financial resilience. Consistent with FPP advice, it applies windfall Pillar Two receipts to improve the Island's balance sheet – strengthening reserves, providing funds for essential capital investment and reducing short-term borrowing costs.